

SERVICE DATE - DECEMBER 13, 2002

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-55 (Sub-No. 619X)

CSX TRANSPORTATION, INC.—ABANDONMENT EXEMPTION—
IN ALLEGAN COUNTY, MI

IN THE MATTER OF AN OFFER OF FINANCIAL ASSISTANCE

Decided: December 12, 2002

By decision served on November 29, 2002, the Board, under 49 U.S.C. 10502, exempted from the prior approval requirements of 49 U.S.C. 10903, the abandonment by CSX Transportation, Inc. (CSXT), of its 6.1-mile line of railroad in the Western Region, known as the Chicago Division, Grand Rapids Subdivision, Hamilton Industrial Track, extending from milepost CGB 19.00 in Holland, to milepost CGB 12.90 in Hamilton, Allegan County, MI, subject to a public use condition and standard employee protective conditions. The exemption was scheduled to become effective on December 29, 2002, unless an offer of financial assistance (OFA) was filed on or before December 9, 2002.

On December 9, 2002, Hamilton Farm Bureau (Hamilton) timely filed an OFA¹ under 49 U.S.C. 10904 and 49 CFR 1152.27 to purchase the line for \$60,000.²

An OFA to acquire a line for continued rail service need not be detailed, but an offeror must show that it is financially responsible and that the offer is reasonable. See Conrail Abandonments Under NERSA, 365 I.C.C. 472 (1981).

Hamilton submitted a consolidated balance sheet as of December 31, 2001, that indicates that Hamilton has sufficient current cash and cash equivalents to cover the proposed price. The financial information submitted shows that Hamilton is a financially responsible entity.

¹ On December 10, 2002, Hamilton filed a consolidated balance sheet to supplement its OFA. The information in the consolidated financial statements includes the accounts of the Hamilton Farm Bureau Cooperative, Inc., and its wholly owned subsidiaries, Hamilton Leasing, Inc., and Agricultural Innovations, LLC.

² In its petition, CSXT did not provide information on the value of the line.

Because Hamilton is financially responsible and has offered financial assistance, the effective date of the exemption authorizing the abandonment will be postponed.

Any person filing a request to set terms and conditions must pay the requisite filing fee, set forth at 49 CFR 1002.2(f)(26), which currently is \$16,700. An original and 10 copies of the request should be submitted along with the fee, in an envelope bearing the docket number of the proceeding, along with the words "Attention: Office of Proceedings, Request to Set Terms and Conditions" in the lower left hand corner.

Appeals to this decision are governed by 49 CFR 1011.2(a)(7). Any appeal must be filed within 10 days of the service date of this decision and will be heard by the entire Board.

This action will not significantly affect either the quality of the human environment or conservation of energy resources.

It is ordered:

1. The effective date of the exemption authorizing the abandonment is postponed in order to permit the OFA process under 49 U.S.C. 10904 and 49 CFR 1152.27 to proceed.
2. If CSXT and Hamilton cannot agree on the purchase price, either party may request the Board to establish the terms and conditions of the purchase on or before January 8, 2002. If no agreement is reached and no request is submitted by that date, the Board will serve a decision vacating this decision and allowing the abandonment exemption to become effective.
3. This decision is effective on its service date.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams
Secretary